

Departmental Administration

Department of Energy
FY 1998 Budget Request to Congress
(discretionary dollars in thousands)

	FY 1996 Current Appropriation	FY 1996 Comparable Appropriation	FY 1997 Current Appropriation	FY 1997 Comparable Appropriation	FY 1998 Request
Departmental Administration					
Administrative operations					
Office of the Secretary	2,500	3,352	2,852	2,852	2,850
Human resources and administration	165,950	114,085	104,202	104,202	109,962
Chief financial officer	21,735	24,170	22,855	22,855	22,396
Field management	10,466	10,466	6,854	6,854	8,261
Board of contract appeals	564	569	602	602	726
Congressional, public, & intergovernmental affairs	8,268	10,129	8,925	8,925	7,983
General counsel	16,300	18,871	18,811	18,811	20,940
Policy	22,593	25,252	19,882	19,882	20,629
Economic impact and diversity	6,683	7,263	6,054	6,054	6,795
Operations offices					
Chicago operations office	26,079	—	—	—	—
Idaho operations office	18,958	—	—	—	—
Oak Ridge operations office	33,488	—	—	—	—
Oakland operations office	21,141	—	—	—	—
Total, Operations offices	99,666	—	—	—	—
Total, Administrative operations	354,725	214,157	191,037	191,037	200,542
Cost of work for others	22,826	22,826	26,336	26,336	32,062
Subtotal, Departmental Administration (gross)	377,551	236,983	217,373	217,373	232,604
Use of prior year balances & other adjustments	-11,519	-16,971	-2,352	-2,352	—
Total, Departmental administration (gross)	366,032	220,012	215,021	215,021	232,604
Revenues					
Revenues associated with cost of work	-26,394	-26,394	-29,788	-29,788	-35,514
Other revenues	-78,704	-78,704	-95,600	-95,600	-95,816
Total, Revenues	-105,098	-105,098	-125,388	-125,388	-131,330
Total, Departmental Administration (Net)	260,934	114,914	89,633	89,633	101,274

DEPARTMENT OF ENERGY

Proposed Appropriation Language

Departmental Administration

For salaries and expenses of the Department of Energy necessary for Departmental Administration and other activities in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101, et seq.), including the hire of passenger motor vehicles and official reception and representation expenses (not to exceed \$35,000), [\$215,021,000] \$232,604,000, to remain available until expended, [plus such additional amounts as necessary to cover increases in the estimated amount of cost of work for others notwithstanding the provisions of the Anti-Deficiency Act (31 U.S.C. 1511 et seq.); Provided that such increases in cost of work are offset by revenue increases of the same or greater amount, to remain available until expended:] Provided [further], That moneys received by the Department for miscellaneous revenues estimated to total [\$125,388,000] \$131,330,000 in fiscal year [1997] 1998 may be retained and used for operating expenses within this account, and may remain available until expended, as authorized by section 201 of Public Law 95-238, notwithstanding the provisions of 31 U.S.C. 3302: Provided further, That the sum herein appropriated shall be reduced by the amount of miscellaneous revenues received during fiscal year [1997] 1998 so as to result in a final fiscal year [1997] 1998 appropriation from the General Fund estimated at not more than [\$ 89,633,000] \$101,274,000 (Energy and Water Development Appropriations Act, [1997] 1998)

**DEPARTMENT OF ENERGY
DEPARTMENTAL ADMINISTRATION APPROPRIATION
EXECUTIVE SUMMARY**

Support To Departmental Mission

The Departmental Administration Appropriation (DA) funds nine Department of Energy headquarters offices which provide guidance and support benefitting all operating elements of the Department in such areas as human resources, administration, accounting, budget, legal services, information management systems, life cycle asset management, workforce diversity, policy, congressional liaison, and public affairs. Their mission is to provide internal and external customers with timely, quality service which facilitates achievement of the Department's goals.

Reinventing Government:

This account has undergone radical changes during the last three fiscal years; realizing a 31% decline in federal employees from 1920 in FY 1995 to 1,319 proposed in the FY 1998 budget. At the same time, the Department has implemented initiatives designed to streamline and provide essential products and services in a more efficient manner. One example of such an initiative is the effort to consolidate the Department's accounting operations reducing from nineteen centers scattered across the United States, to three centers of excellence, the largest of which is at DOE headquarters. Another example is our ongoing initiative to out source our payroll operation by June of 1998 and to consolidate our office space and reduce the number of separate buildings housing DOE headquarters personnel.

Vital functions performed: Despite these reductions the Department stands ready to provide essential services to its mission programs, as well as, to serve the Secretary of Energy and protect taxpayer interests. A highlight of the remaining functions indicates how essential these services are. Departmental managers strongly assert that further reductions to their organizations will impact these vital services. Residual efforts include:

Performing strategic planning and implementing management reforms including: Government Performance and Results Act; Galvin and Yergin task force recommendations.

Planning to maximize the value of Departmental assets and revenue from the sale of assets.

Cooperating with International Energy Consortiums and Interagency review of policies affecting Energy.

Facilitating communication between the Department and Congress, the Executive Office, State and Local Governments and the public.

Performing financial and accounting functions including producing audited financial statements.

Fulfilling the Department's budget mission in terms of timely formulation and oversight of program execution (overhead and uncosted balances)

Providing effective and timely legal services, counsel, and support to Departmental elements.

Representing the Department before Federal, State, and other Governmental Agencies and Courts.

Protect our Intellectual Property associated with patents, invention disclosures, and waiver requests.

Acting as an honest broker for the Secretary among competing programmatic elements.

Processing procurement and personnel actions.

Developing and maintaining Corporate Information Systems and Communication Technology.

Ensuring the success of the Working Capital Fund by supplying products and services throughout the Department.

Promoting diversity within the entire Department and throughout the program areas affected by our decisions (including economic impact).

A strong corporate vision helps set the proper priorities to ensure that a program which succeeds in its goals will not fail in its mission. These offices provide a strong internal mechanism to focus program efforts on corporate goals. This is the optimal method of fulfilling our obligations to those who rely on the mission of the Department of Energy.

Program Overview:

DOE programs funded in this appropriation are: Office of the Secretary, Policy, Chief Financial Officer, Human Resources and Administration, Congressional, Public and Intergovernmental Affairs, General Counsel, Economic Impact and Diversity, and Board of Contract Appeals. Federal support functions include planning and national and international energy policy analysis, environmental policy, budget, accounting, legal, personnel, labor relations, staffing, organizational management, logistical services, printing, information management, contract management and reform, quality management, personal property management, scientific and technical training, congressional liaison, public and consumer outreach, economic impact and diversity, and contract dispute adjudication. Funding includes Departmental Administration employee travel and training, and contractual services such as support for DOE's overseas offices, budget and accounting systems, logistical services, automated data processing development and acquisition (non program specific), equipment maintenance, civil rights , each Departmental Administration sub-program's share of the working capital fund, and capital equipment. Also funds energy and environmental policy studies, public service announcements, newswire services, minority education/business/community support and assistance, and Department wide technical training development.

Cost of Work for Others

The budget provides for the cost of products and services provided by the field offices and national laboratories for non-DOE users. Work results from revenue programs related to the budgeted mission of DOE or is reimbursable work for state and local entities which are precluded by law from making advance payments. Costs are offset with revenues received from the sale of products or services.

Revenues

The revenues associated with the Cost of Work for Others program support the products and services described above. Miscellaneous revenues come from the sale of by-products that have no cost associated with the Departmental Administration appropriation, but offset the appropriation.

Budget Overview:

The total on-board head count projected for FY 1998 is 1,319 a 31 percent decrease from the FY 1995 baseline of 1,920 (includes the Office of the Secretary).

The FY 1998 request provides \$2.8 million for the Office of the Secretary and \$104.5 million for related salary and benefit expenses for 1,319 full-time equivalent employees. The request also includes \$ 3.1 million for travel funding, \$74.3 million for contractual support, and \$15.8 million for program support. Cost of Work for Others and Revenues are budgeted at \$32.1 million and \$131.3 million, respectively. The net appropriation request is \$101.3 million compared to a comparable FY 1997 Total Obligations of \$92.2 million.

The following discussion compares major expense items on a comparable, total obligational authority basis, to show the relationship between FY 1997 operating level and FY 1998 requirements.

**DEPARTMENTAL ADMINISTRATION
FY 1998 CONGRESSIONAL REQUEST**

Obligational Authority (\$ millions)	<u>FY 1997 Total Obligations</u>	<u>FY 1998 Request</u>	<u>\$ Change</u>	<u>% Change</u>
Office of the Secretary	\$2.8	\$2.8	\$0.0	0%
General Management				
Personnel Comp and Benefits	101	104.5	3.5	3%
Severance Costs	7.5	0	-7.5	-100%
Other Expenses	74.9	77.4	2.5	3%
Program Support	5.1	15.8	10.7	210%
<u>ADMINISTRATIVE OPERATIONS:</u>	<u>191.3</u>	<u>200.5</u>	<u>9.2</u>	<u>5%</u>
Cost of Work for Others	26.3	32.1	5.8	22%
Revenues	-125.4	-131.3	-5.9	5%
Adjustments	-2.6	0	2.6	-100%
Depart Admin, Net Appropriation (BA)	<u>89.6</u>	<u>101.3</u>	<u>11.7</u>	<u>13%</u>

Summary of Changes:

Administrative Operations increase by \$9.2 million (5%) largely due to an \$8.0 million initiative to create a Corporate Management Information System (further discussion below).

Office of the Secretary - allowing for the use of prior year unobligated balances in FY 1997 (\$0.8 million) there is no increase in requirements in FY 1998.

Personnel Comp and Benefits (including severance funds) decrease by \$4.0 million, as a result of downsizing in FY 1997 (\$5.5 million), elimination of severance costs (-\$4.1 million); partially offset by the pay raise (\$4.0 million), \$1.4 million increased FTEs for General Counsel, and \$0.2 million other.

Other expenses - increase by \$2.5 million due to Field Management (+ \$2.0 million, use of prior year funds in FY 1997); Policy (+ \$0.4 million, working capital fund increases); and Economic Impact and Diversity (+ \$0.1 million, new Office of Employee Concerns).

Program Support - increase by \$10.7 million. There is a new \$8.0 million program for Corporate Management Information System. Minority and Economic Diversity (+ \$0.8 million) is implementing Executive Order 12900 "Educational Excellence for Hispanic Americans". Policy (+ \$1.6 million) is seeking program funds to maintain its readiness for analyzing compelling and emerging national energy issues as well as supporting the Department's strategic planning. Scientific and Technical Training (+ \$0.3 million).

Cost of Work for Others - increases by \$5.8 million, resulting from increased state and federal requirements for biological research from the University of California at Oakland Operations Office. This increase will be offset by the revenues that will reimburse the Department.

Revenues Associated with Cost of Work for Others - increase \$5.9 million consistent with increase above.

Adjustments - increase the requirement for new budget authority as a result of use of prior year balances in the Office of the Secretary (\$0.8 million) Personnel Comp (\$0.3 million) in addition to a formal reprogramming (\$1.5 million) of prior year salary funding in FY 1997.

Trends:

Headquarters employment will continue to decline slightly as further strategic alignment initiatives come to fruition; however, the major savings have already been achieved. The FY 1998 budget begins investment in new corporate automated systems, including a new financial management system, which will meet our needs into the twenty first century.

**DEPARTMENTAL ADMINISTRATION
FY 1998 CONGRESSIONAL BUDGET REQUEST
PERSONNEL COMPENSATION AND BENEFITS
(DOLLARS IN THOUSANDS)**

Sub-Program	FY 1996 Current <u>Appropriation</u>	FY 1997 Original <u>Appropriation</u>	<u>Adjustments</u>	FY 1997 Current <u>Appropriation</u>	FY 1998 Budget <u>Request</u>
Human Resources & Adm.	57,740	49,411		49,411	46,971
Chief Financial Officer	16,408	13,935	1,500 \a	15,435	14,641
Field Management	5,792	4,979		4,979	4,386
Board of Contract Appeals	557	496		496	520
Congressional, Public, & Int.	8,051	6,810		6,810	5,868
General Counsel	14,820	14,727		14,727	16,856
Office of Policy	14,625	12,874		12,874	11,660
Economic Impact & Diversity	3,552	3,798		3,798	3,628
Chicago Operations Office	18,504	0		0	0
Idaho Operations Office	8,631	0		0	0
Oak Ridge Operations Office	23,631	0		0	0
Oakland Operations Office	13,689	0		0	0
Total	<u>186,000</u>	<u>107,030</u>	<u>1,500</u>	<u>108,530</u>	<u>104,530</u>
Adjustments		-335 \b	-1,500	-1,835	
Total	<u>186,000</u>	<u>106,695</u>	<u>0</u>	<u>106,695</u>	<u>104,530</u>

\a Reprogramming of FY 1996 carryover (\$1.5M).

\b Prior year unobligated balances from FY 1996 used to finance payroll requirements.

DEPARTMENTAL ADMINISTRATION
FY 1998 CONGRESSIONAL BUDGET REQUEST
TRAVEL
(DOLLARS IN THOUSANDS)

Sub-Program	FY 1996 Current <u>Appropriation</u>	FY 1997 Original <u>Appropriation</u>	<u>Adjustments</u>	FY 1997 Current <u>Appropriation</u>	FY 1998 Budget <u>Request</u>
Human Resources & Adm.	1,750	1,750		1,750	1,750
Chief Financial Officer	187	187		187	187
Field Management	250	255		255	255
Board of Contract Appeals	6	6		6	6
Congressional, Public, & Int.	120	120		120	120
General Counsel	136	136		136	136
Office of Policy	537	537		537	537
Economic Impact & Diversity	96	91		91	91
Chicago Operations Office	660	0		0	0
Idaho Operations Office	376	0		0	0
Oak Ridge Operations Office	342	0		0	0
Oakland Operations Office	360	0		0	0
Total	<u>4,820</u>	<u>3,082</u>		<u>3,082</u>	<u>3,082</u>

**DEPARTMENTAL ADMINISTRATION
FY 1998 CONGRESSIONAL BUDGET REQUEST
CONTRACTUAL SERVICES
(DOLLARS IN THOUSANDS)**

Sub-Program	FY 1996 Current <u>Appropriation</u>	FY 1997 Original <u>Appropriation</u>	<u>Adjustments</u>	FY 1997 Current <u>Appropriation</u>	FY 1998 Budget <u>Request</u>
Human Resources & Adm.	105,460	52,541		52,541	52,441
Chief Financial Officer	5,140	7,568		7,568	7,568
Field Management	4,424	1,620		1,620	3,620
Board of Contract Appeals	1	100		100	200
Congressional, Public, & Int.	7	1,905		1,905	1,905
General Counsel	1,344	3,948		3,948	3,948
Office of Policy	531	3,471		3,471	3,836
Economic Impact & Diversity	135	665		665	756
Chicago Operations Office	6,915	0		0	0
Idaho Operations Office	9,951	0		0	0
Oak Ridge Operations Office	9,515	0		0	0
Oakland Operations Office	7,092	0		0	0
Total	<u>150,515</u>	<u>71,818</u>		<u>71,818</u>	<u>74,274</u>

Note: Includes Working Capital Fund contributions for these programs

DEPARTMENTAL ADMINISTRATION
FY 1998 CONGRESSIONAL BUDGET REQUEST
PROGRAM SUPPORT
(DOLLARS IN THOUSANDS)

Sub-Program	FY 1996 Current <u>Appropriation</u>	FY 1997 Original <u>Appropriation</u>	<u>Adjustments</u>	FY 1997 Current <u>Appropriation</u>	FY 1998 Budget <u>Request</u>
Scientific and Tech. Training	1,000	500		500	800
Corporate Management Systems	0	0		0	8,000
Public Affairs	50	50		50	50
Consumer Affairs	40	40		40	40
Minority Economic Impact	2,900	1,500		1,500	2,320
Policy, Anal., and Sys. Studies	2,900	500		500	2,096
Environmental Policy Studies	<u>4,000</u>	<u>2,500</u>		<u>2,500</u>	<u>2,500</u>
Total, Program Support	<u>10,890</u>	<u>5,090</u>		<u>5,090</u>	<u>15,806</u>

**DEPARTMENTAL ADMINISTRATION
FY 1998 CONGRESSIONAL BUDGET REQUEST
USE OF UNOBLIGATED BALANCES
(DOLLARS IN THOUSANDS)**

Sub-Program	FY 1996 Current <u>Appropriation</u>	FY 1997 Original <u>Appropriation</u>	<u>Adjustments</u>	FY 1997 Current <u>Appropriation</u>	FY 1998 Budget <u>Request</u>
Office of the Secretary		-852		-852	
Chief Financial Officer	-196	-335	-1,500	-1,835	
Economic Impact & Diversity	-54			0	
Cost of Work for Others	<u>-11,269</u>			<u>0</u>	
Total, Use of Unobl. Bal.	<u>-11,519</u>	<u>-1,187</u>	<u>-1,500</u>	<u>-2,687</u>	<u>0</u>

**DEPARTMENTAL ADMINISTRATION
FY 1998 CONGRESSIONAL BUDGET REQUEST
PROGRAM FUNDING PROFILE
(DOLLARS IN THOUSANDS)**

Sub-Program	\a FY 1996 Current Appropriation	FY 1997 Original Appropriation	Adjustments	FY 1997 Current Appropriation	FY 1998 Budget Request
Office of the Secretary	2,500	2,852		2,852	2,850
Salaries and Benefits	186,000	107,030	1,500	108,530	104,530
Travel	4,820	3,082		3,082	3,082
Other Related Services	150,515	71,818		71,818	74,274
Program Support	10,890	5,090		5,090	15,806
Cost of Work for Others	<u>22,826</u>	<u>26,336</u>		<u>26,336</u>	<u>32,062</u>
Subtotal, Dept. Admin. (Gross)	<u>377,551</u>	<u>216,208</u>	<u>1,500</u>	<u>217,708</u>	<u>232,604</u>
Revenues					
Associated	-26,394	-29,788		-29,788	-35,514
Miscellaneous	<u>-78,704</u>	<u>-95,600</u>		<u>-95,600</u>	<u>-95,816</u>
Subtotal, Revenues	<u>-105,098</u>	<u>-125,388</u>	<u>0</u>	<u>-125,388</u>	<u>-131,330</u>
Subtotal, Dept. Admin.	<u>272,453</u>	<u>90,820</u>	<u>1,500</u>	<u>92,320</u>	<u>101,274</u>
Adjustment	-11,519 \b	-1,187	-1,500	-2,687	
Total, Dept. Admin.	<u>260,934</u>	<u>89,633</u>	<u>0</u>	<u>89,633</u>	<u>101,274</u>
STAFFING \c					
FTE	2,654	1,444		1,444	1,319
EOY	2,597	1,309		1,309	1,319

\a FY 1996 non-comparable appropriation includes four field offices (Chicago, Idaho, Oak Ridge, and Oakland) funded in Energy Supply, Research, and Development appropriations in FY 1997

\b Use of Prior Year Balances

\c Includes the Office of the Secretary of Energy

**DEPARTMENTAL ADMINISTRATION
FY 1996 THROUGH FY 1998 MANPOWER**

	FY 1996 Actual		FY 1997 Projected		FY 1998 Request	
	FTEs	EOY	FTE	EOY	FTEs	EOY
Office of the Secretary	20	20	<u>23</u>	<u>23</u>	22	22
General Counsel	169	170	165	163	176	176
Congressional, Public, & Int. Affairs	103	103	82	66	66	66
Board of Contract Appeals	5	5	5	5	5	5
Office of Policy	175	177	145	121	121	121
Economic Impact and Diversity	50	50	45	42	42	42
Chief Financial Officer	257	249	223	207	205	205
Human Resources and Administration	806	782	700	635	635	635
Field Management	68	66	56	47	47	47
Chicago Operations Office	282	272	0	0	0	0
Idaho Operations Office	128	125	0	0	0	0
Oak Ridge Operations Office	364	363	0	0	0	0
Oakland Operations Office	<u>227</u>	<u>215</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total, Dept Admin.	<u>2,634</u>	<u>2,577</u>	<u>1,421</u>	<u>1,286</u>	<u>1,297</u>	<u>1,297</u>
Less Field Offices	-1,001	-975				
Subtotal Headquarters Programs	<u>1,633</u>	<u>1,602</u>	<u>1,421</u>	<u>1,286</u>	<u>1,297</u>	<u>1,297</u>
Sub-Total, Dept Admin. (Includes OSE)	1,653	1,622	1,444	1,309	1,319	1,319